Sec 7 No 152-95.

G. R. S. IX-5]

Previous references. 1896

~~191~~

(Banking)

File No. 30 of 1896

Serial Nos. 1-4.

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-4

Major ~~Part~~ B for June 04

SUBJECT.

Agricultural Bank at Honnali Shimoga Taluk.

W D 88—GPB—50,000—24-7-16

Indexed K.D.

G. R. S. X-10.]

GOVERNMENT OF HI
THE MAHARAJA OF

GEN. & REV. SECRETARI

Requisition for Papers.

Section

A Annual Report

B on the working of

Filed Savings Bank

Deposit for 1918–19

File No.

Serial No.

To be put up with Diary No. 1606
of 1920

Signature

Branch Section

Date

A255

1

1896-97

GOVERNMENT OF MYSORE

FINANCIAL

PROCEEDINGS

Dated 10*th March* 1897

No. 878-88
Fl. 653

Directing that, when proposals are submitted for the establishment of Agricultural Banks, the Memorandum and Articles of Association should be forwarded in duplicate.

M.G.C.P.B.—26-3-97—120

Proceedings of the Government of Mysore, Financial, dated 10th March 1897.

READ:—

The following letter No. 56, dated 2nd March 1897, from the Inspector of Agricultural Banks in Mysore.

I have the honor to request that orders may be issued for submitting the Memorandum and Articles of Association *in duplicate* when proposals for the establishment of an Agricultural Bank are forwarded for sanction.

2. At present only one copy is sent and the Registrar of Joint Stock Companies retains it and despatches a certificate to the effect that the Bank has been registered under the Companies Regulation.

Thus it will be seen that there is no authenticated record in the Bank premises exhibiting all the particulars mentioned in the original.

3. Besides, under Section 42 of the Companies Regulation, the Bank is bound to furnish a copy of the Rules to any member, if he applies for the same, on payment of a fee not exceeding one rupee. It is therefore necessary that a correct copy should be kept in the Bank. The Registrar of the Companies has agreed to return, if two copies of the Memorandum and Articles of Association are sent to him, the duplicate duly signed along with the certificate.

4. This procedure, if adopted, will avoid the necessity of the Bank obtaining a certified copy from the Registrar of Companies at heavy cost.

No. 7878-88—Fl. 653, DATED CAMP, MYSORE, 10TH MARCH 1897.

ORDER THEREON.—The Government direct that, when proposals are submitted for the establishment of Agricultural Banks, the Memorandum and Articles of Association be forwarded in duplicate, one copy being required for record in the office of the Registrar of Joint Stock Companies and the other for being kept in the Bank premises for reference.

C. SREENIVASIENGAR,
Secy. to Govt. Gen. & Rev. Depts.

To—The Inspector of Agricultural Banks in Mysore
The Deputy Commissioners of Districts.
The Registrar of Joint Stock Companies.
The Comptroller to Mysore Government.

Exd—H

Subs letter draft

3

8178

(2) 1897

No 8/4

- 4 JUN 97

DEWAN'S OFFICE

8 B

1/7/97

Section Bank Agencies

File No 3-96

Serial No 1

From The Deputy Commissioner
Shimoga District

To The Secretary to the
Government of Mysore
General and Revenue Depts

Dated 1st

Despatched June 1897.

Received

General No. 1280

No. 1083

Enclosure No. 2 & a file of papers

Submits copy of a letter
No 105 from the Inspector
of Agricultural Banks
and recommends an
advance of Rs 3500
for an agricultural
bank at Honnali

Rev 5/6/97

Re: of Honnali (1897)
for orders
MK
7/6.

Rs draft sanction 16/6/97

No. 1280/1083 1

Deputy Commissioner's Office
Shimoga District
Shimoga 1st June 1897.

Inclosure and a file of papers

To

The Secretary to the Government
of Mysore
General and Revenue Depts.

Sir,

I beg to submit herewith a copy of letter no 105 dated 19th May 1897 with its enclosures in original received from the Inspector of Agricultural banks in Mysore on the subject of the opening of an Agricultural Bank at Honnali. I beg to recommend that the advance of Rs 3500, ~~N/A~~ therein proposed, may be sanctioned.

I have the honor to be

Sir,

Your most obedient servant

[signature]

Deputy Commissioner
Shimoga District

VRL

No 105. (57) Office of the Inspector of Agricultural Banks in Mysore

Dated Bangalore the 19/20 "May 1897.

From

The Inspector of Agricultural
Banks in Mysore.

To

The Deputy Commissioner
Shimoga District

Sir,

I have the honor to return the file of correspondence received with your Cumarese Yadi No 817 of the 16th January last, connected with the proposed Agricultural bank at Nonnali and to state as follows:-

2. The Bank is proposed to be established for the benefit of Nonnali and 11 other villages. There are 17 members who own 369 acres and 10 guntas of land (of which 21 acres and 20 guntas are inam), the aggregate value of which as estimated by the Panchayetdars amounts to Rs 4625 and by Revenue authorities to Rs 5166 at an average rate of Rs 14 per acre, with a liability of Rs 2076.

The

3. The members propose to start the Bank with a capital of Rs6,000 but the Auditor recommends a grant of Rs4,000. As the Panchayetdars estimate the property of the members at Rs4625. I would recommend an advance of Rs3500/- being sanctioned

4. The memorandum and articles of association have been forwarded in duplicate in accordance with Government Proceedings No. 7878-88 / H 653 of 10th March 1897

5 An extract from the Taluk maps accompanies the proposal.

6. I enclose a statement prepared in English by this office, shewing the property held by the members together with their liability.

7. The stamps duty and the registration fee may be ordered to be credited to Govt and a receipt submitted with the file

I have &c.

Sd/ M. Chengayachetty
Inspector of Agricultural Banks in Mysore

Copy

Deputy Commissioner
Shimoga District

Statement showing the property and liability of the members of the proposed Agricultural Bank at Hounali Shimoga Dt

Proposed name of the Bank and the names of villages to be benefited by it	Names of Members	Residence of members.	Arable land possessed						Probable Value of land	If encumbered how and for how much	Remarks
			Kandayam land			Inam land					
			Area		Assessment	Area		Jodi or Quit-Rent			
			acres	G.	Rs. a.						
Agricultural Bank ab Hounalé	Lingappa bin Basettappa	Hounali	106	7	54 8	✓	-	-	Rs 1278/-	Rs 1300/-	
	Lingappa bin Nagappa	— do —	8	-	✓ 13 -	✓	-	-	Rs 160/-	nil.	
1. Hounali	Siddanna bin Lingamma	— do —	9	29	✓ 16 -	✓	-	-	Rs 195/-	do	
2. Hirepura	Madanayaka bin Madanayaka	— do —	48	4	✓ 36 -	✓	-	-	Rs 612/-	do	
3. Marajondanahalli	Lingamma bin Karijamma	— do —	6	21	✓ 9 8	✓	-	-	Rs 78/-	do	
4. Anjanapura	Marijamma bin Marijamma	— do —	29	35	✓ 44 4	✓	-	-	Rs 371/-	do	
5. Balleshwara	Singajois bin Sivaramjois	— do —	⊙ 2	38	5 8	2	25	5 -	Rs 111/-	Rs 50/-	⊙ Inam Va 2 A V 25 G Rented
6. Balamury	Sivakajois bin Pulla Jois	— do —	× -	-	- -	8	8	6 12	Rs 111/-	Rs 100/-	× Inams
7. Narasipura	Gundappa bin Basappa	— do —	14	14	✓ 19 4	✓	-	-	Rs 173/-	Rs 50/-	
8. Devanayakanhalli	Gonappa bin Jamalappa	Devanayakhalli Hounali Tal	26	19	✓ 32 8	✓	-	-	Rs 300/-	nil	

9. Kulemadapura	Venkatadas bin Bhimadas	Komali	30	1	25	12	✓	"	"	"	"	Rs 300/-	do
10. Sunkadakatte	Bheemanna bin Bheemasani	— do —	13	6	10	✓	✓	"	"	"	"	Rs 130/-	Rs 60/-
11. Gadikatte	Madanna bin Kenchanna	— do —	11	2	12	4	✓	"	"	"	"	Rs 100/-	nil.
12. Kurapura.	Karegoolanna bin Kenchanayak	— do —	7	20	✓	7	12	✓	"	"	"	Rs 150/-	Rs 100/-
	Bheemna bin Kalada	Anjanapura	16	21	18	✓	"	"	"	"	"	Rs 180/-	Rs 116/-
	Puttachar bin Ananthapriya Char	Komali	6	33	12	✓	✓	10	27	18	"	Rs 271/-	Rs 200/-
	Raghupathi Rayaru bin Ramasamy Rayaru	— do —	10	20	12	✓	✓	"	"	"	"	Rs 105/-	Rs 100/-
	Total —		347	30	326	4	21	20	29	12		Rs 4625	Rs 2076.

As estimated by Amildar - Rs 5166 & 14 Rs per acre.

Office of the Inspector of Agricultural Banks in Mysore
Dated, 19th May 1897.

Inspector of Agricultural Banks in Mysore

(9)

Secretary's Office — Banking
File No. 3-96
Serial No. 2

Read. S (3)

Letter No 1280/1083 dated the 1st June 1897, from the Deputy Commissioner of the Shemoga District.

—ee—

Order thereon.

With the above, the Deputy Commissioner submits in duplicate, the memorandum and articles of association in connection with the proposed agricultural Bank at Kaikea Honnali

2. Linganna and 16 other members propose to establish the bank for the benefit of Honnali & 11 other villages - They own 369 acres 10 guntas of land (Rs Rent 21 acre

No 119-22
R-7-151-96 2/7/97
Env. 1 file off
V-1.

the memorandum and 12
articles of association
duly registered?

7. The attention of the Inspector of Agricultural Banks is drawn to the necessity of submitting in cases ~~such as this~~ where the Villages to be benefitted by a Bank are not in one compact block as in the present case, a statement showing the distance of each Village from the place where the Bank is proposed to be established.

Selby
=ir

1/7/97 1/7/97

To. The Dy Comptr, Shimla Dh,
with Ver: papers & Memorandum
& articles of association in triplicate.

2-7-97

The Comptroller to the
Government

=
The Registrar, Joint
Stock Companies.

=
The Inspector of
Agricultural Banks.

READ :—

Letter No. 1280—1085, dated the 1st June 1897, from the Deputy Commissioner of the Shimoga district.

No. 119-22—R. F. 151-96, DATED, BANGALORE, 7TH JULY 1897.

ORDER THEREON.—With the above, the Deputy Commissioner submits in duplicate, the Memorandum and Articles of Association in connection with the proposed Agricultural Bank at kasaba Honnali.

2. Lingappa and sixteen other members propose to establish the Bank for the benefit of Honnali and eleven other villages. They own 369 acres and 10 guntas of land (of which 21 acres and 10 guntas are inam), the aggregate value of which, as estimated by the panchayetdars, amounts to Rs. 4,625, while the estimate of the taluk authorities comes to Rs. 5,166 with a liability of Rs. 2,076.

3. The members propose to start the Bank with a captal of Rs. 6,000, but, as the aggregate value of the property estimated by the panchayetdars amounts to Rs. 4,625, the Inspector of Agricultural Banks in Mysore recommends an advance of Rs. 3,500 which is upheld by the Deputy Commissioner.

4. Under the above circumstances, Government are pleased to sanction an advance, not exceeding Rs. 3,500, being made for the Agricultural Bank referred to, and to authorize the Deputy Commissioner to place the aforesaid amount in the Honnali Taluk Treasury.

5. Interest must be recovered from the Bank, half yearly, up to 30th June and 31st December of each year at 4 per cent per annum, on the sums actually borrowed by the Bank.

6. The Deputy Commissioner is requested to recover the stamp duty and to take steps to get the Memorandum and Articles of Association duly registered.

7. The attention of the Inspector of Agricultural Banks is drawn to the necessity of his submitting, in cases where the villages to be benefited by a Bank are not in one compact block as in the present case, a statement showing the distance of each village from the place where the Bank is proposed to be established.

C. SREENIVASIENGAR,
Secy. to Govt. Gen., & Rev. Depts.

To—The Deputy Commissioner, Shimoga District, with vernacular papers and Memorandum and Articles of Association in duplicate.
The Comptroller to the Government of Mysore.
The Registrar, Joint Stock Companies.
The Inspector of Agricultural Banks in Mysore.

Exd.—H.A.R.

1897-98.

GOVERNMENT OF MYSORE

FINANCIAL.

PROCEEDINGS

Dated 7th July 1897

No. $\frac{119\text{-}22}{\text{R F. } 151\text{-}96}$

Sanctioning an advance of Rs. 3,500 for the Agricultural Bank proposed to be established at Honnali in the Honnali taluk.

M.G.S.P.B—21-7-97—250

and 10 gunas are cocoa)
the aggregate value of which
as Estimated by the ~~e~~
Panchayat dars amounts
to Rs 4625/- While the Estimate of the
~~Gunatara~~ Talak authorities comes to
Rs 5766, with a liability
of Rs 2,076.

3. The members propose
to start the bank with
a capital of Rs 6000 each
~~the Amildar Recommends the~~
~~grant of Rs 4000 - As~~
as the aggregate value of the
property, ~~as~~ Estimated
by the Panchayatdars
amounts to Rs 4625/
the Inspector of Agri
banks in Mysore ~~e~~
recommends an advance
of Rs 3500/- which is upheld
by the Deputy Commissioner

4. Under the above circumstances, Government are pleased to sanction an advance not exceeding Rs. 3,500 being made for the agricultural bank referred to ~~under reference~~, and to authorise the Deputy Commissioner to place the aforesaid amount in the Honnali Taluk Treasury ~~on that account~~

5. Interest must be recovered from the Bank half yearly upto 30th June & 31st December of each year at 4 per cent per annum on the sums actually borrowed by the bank.

6. The Deputy Commissioner is requested to recover the Stamp duty and to take steps to get

15

Rl 2028

1904 23 Rs by

MYSORE GOVERNMENT GENERAL OFFICE SECRETARIAT 23 MAY 1904

Bank Kings

File 3-96

No. 3

Ref put up

FROM M. Sanjeevi Rao Esqre
Commissioner
Shimoga District

To L. Srikantaswami Rao Esqre
Secretary to the Government
General and Revenue Depts

Dated 21st May 1904

Despatched

Received

General No. 655

No. 421

Enclosure No. 1

Forwards report on the Inspection of the Agricultural Bank at Nonnali

16

1903. 1904.

From,
M. S. Narayan Rao Esqre
Deputy Commissioner
Shimoga District

To,
L. Anantasami Rao Esqre
Secretary to the Government
General and Revenue Dpts.

Dated 21st May 1904.

No.

I have the honour to forward herewith the undersigned's report on the Inspection of the Agricultural Bank at Honnali.

I am Sir,
Your Obedt Servt
Deputy Commissioner
Shimoga District.

Read

23 MAY 1904
REVENUE SECRETARIAT

17

Inspection of the Hounali Agricultural Bank

1. Date of present inspection.

25th April 1904

2. Whether there is a duly registered suitable Bank office where members and depositors could call and have their business attended to; and if there had been any change in the office since last inspection, why necessitated and whether duly registered.

Yes There has been no change in the office since last inspection.

3. Whether any dates and hours are fixed for transaction of business, whether business is regularly transacted at those dates and hours; if no appointment is thus made, what arrangements exist for the due transaction of business when members and depositors call; and on how many days in a month is business done.

No dates and hours are fixed for transaction of business. Only 2 meetings a year are held and business transacted then.

4. Whether the Bank's registers, accounts, title-deeds, documents, cash balance and other property are kept in the Bank premises in the custody of the President and Agent; and if any of them are not so kept, where and how they are kept, under what authority and upon whose responsibility.

The Bank's registers, accounts and other documents are kept in the Bank Premises in the custody of the Agent.

5. Whether the villages to which the members belong are sufficiently near (within a radius of five miles) to the Bank house, and duly registered; at what distance do the majority of members, the directors and office-bearers reside; and if business was extended to any new village, whether there was proper sanction for it.

The villages to which members belong are registered and are mostly within 5 miles radius. 2 villages are said to be within 8 to 10 miles. Majority of the members reside within a distance of 3 miles from the Bank house.

Business has not been extended to any new village

6. As regards members, whether and to what extent there has been any increase or decrease in their number since formation of the Bank or last inspection; what was the decrease, if any, due to; were the new members duly qualified, duly elected, and registered; in case of members belonging to a joint Hindu family or otherwise possessing a qualified or limited status, whether there is proper representation of interests involved; whether in the practical working, the Bank has gained or lost in strength, energy and usefulness since formation or last inspection.

The bank began with 17 members of whom 1 died and 2 were removed. There were 4 additions. The present strength is 18.

The new members were qualified but not registered

The bank has not gained or lost in energy and usefulness since last inspection.

7. As regards credit, solvency and resources of members, whether a complete and accurate list of the lands of members is maintained; if not, how is the omission explained; to what extent have fluctuations in the number of members affected the united credit of the Bank. Any notable instances of new acquisition or improvement since formation of the Bank or last inspection; any notable instances of sale or other kind of transfer, relinquishment or deterioration; how these have affected the solvency and resources of the members concerned and of the Association as a whole; what guarantee, if any, has the Bank obtained or the rules of the General Assembly afford against alienations and relinquishments prejudicial to the Bank's interests; compare the *net* amount of the value of property as per latest authenticated list with the amount of liabilities of the Bank at date of inspection.

Yes. Complete list of lands of members is maintained

a. ———

b. ———

c. No new acquisition or improvement since last inspection

d. None

e.

f. No guarantee

g. According to the estimate in the property register the value of property is Rs 58,56 while the liabilities of the bank amount to Rs 3828-4-10 including the amount of loans together with interest thereon.

8. As regards Bank's funds, note whether the limit fixed at formation had been increased or decreased under due authority; whether the Bank had in its dealings unauthorizedly exceeded the limit and if so, how is this explained or proposed to be rectified. Classify the Bank's funds at date of inspection with reference to the sources from which they were derived, *viz.*—entrance fee, contributions, loans from Government, if any, loans from others, deposits from members (1) in cash and (2) in grain, deposits from outsiders, debentures etc. Note whether the Bank's credit is well established and sustained, or steadily growing; if otherwise, to what extent such result is due to any action or omission of the Bank's authorities and what other causes are likely to have contributed to it; whether the lessons of co-operation, mutual help and thrift are understood and practised, if not, inculcate them to as large a body of members and outsiders as can be gathered.

(a) The limit of the funds of the bank has neither increased nor decreased.

(b) nil

(c) Classification of the bank's funds on 25th April 1904.

(i) Entrance fee		Rs 9
(ii) Contributions		-
(iii) Loans from Government		3500
(iv) Loans from others		-
(v) Deposit from members :—		
(α) in cash	4	
(β) Grain	-	
(γ) from outsiders	36	
		Rs 40
(δ) debentures		-
Total		3549

The Bank does not command any outside Credit. There does not appear to be much of Co-operation and self help amongst the members.

9. As regards Government loan, note whether the terms fixed for repayment are duly acted up to or there has been gross delay, dilatoriness or neglect; the amount outstanding against the Bank at date of inspection; whether the loan may be continued subject to the terms allowed for repayment or whether in your opinion it is advisable to withdraw the loan under the provisions of Sections 74 and 75 of the Articles of Association; and state reasons for such opinion briefly and concisely.

The terms for repayment of loans taken from Government are not acted upto. Although it is 6 years since the bank was started, only

2 members repaid the loan in full which amount was again lent to others members without crediting the same to Treasury. This irregular procedure has been pointed out to the agent. The amounts of instalments recovered from members have also been given away to other applicants without due authority. Not a single pie towards the loan has been credited to the Treasury. The remaining members are all defaulters. The majority of them have paid only 2 instalments. Every member without exception has kept the interest also in arrears. There has been gross delay in the payments of both the instalments and the

10. As regards loans and deposits from others, note the terms allowed, generally in regard to rate of, interest and time for repayment; whether the sanction of the General Assembly had been obtained to the rates of interest and other essential terms; whether the obligations incurred were, in any way, in excess of the Bank's requirements or of what local conditions of credit, prudential considerations and the progress and well-being of the Bank justified; whether the Bank authorities are alive to the importance of placing themselves in a position to discharge the obligations incurred, punctually, completely and satisfactorily.

interest due to Government.

The amount outstanding against the bank on 25th April 1904 was Rs. 3828 - 4 - 10.

There are no such deposits

b and c. needs no reply.

d. The bank authorities are not alive to their duty of discharging their obligations punctually.

11. As regards the Bank's transactions, compare the Cash Book with Ledgers, Receipts, Chalans, Cheques, Treasury Pass Book, Contingent and Establishment Registers, Documents etc. Is it posted up from actual transactions as they occur and in the order of their occurrence, and are entries made so clear as to be easily intelligible and traceable through the other accounts? If discrepancies and omissions due to mere oversight or ignorance are found, have them rectified in a business-like manner as far as practicable and note here such as are considered to be grave. In the case of corrections, see if they are initialled by the President and Agent, and if any of the corrections are not satisfactory, note briefly your objections.

The cash book was compared with Ledgers, Receipts Chalans, Cheques and Treasury Pass Book. They are posted up to date. The entries are clear. The corrections had not been initialled - The Agent's attention has been drawn to this - The omissions and errors that were noted were rectified - The Contingent and Establishment Registers

are not maintained. The Agent has been told to open them immediately.

See if disbursements were duly authorised and are supported by proper vouchers.

The disbursements are not supported by proper vouchers. The Agent who maintains the Registers has been instructed to obtain vouchers in future.

Were the charges incurred under Establishment and Contingencies real or fictitious either wholly or in part, and if real, necessary? Is the rule about members rendering gratuitous service duly respected.

Note date of the last entry in the Cash Book, and the cash balance on that date according to the Cash Book and as forthcoming in the Bank's chest. Are instances frequent of the transgression of the limit fixed in the Articles of Association for cash balance in the hands of the Board of Directors, and how are they explained? Are large sums kept in hand for any length of time without being utilized? Is the facility afforded for keeping current account with the Treasury utilised as far as possible for minimising cash balances, if not, how is the omission explained? Has there been any complaint or ground for the belief or suspicion that needlessly large balances are retained by the Agent or President.

Date of last entry in the Cash Book - 31st March 1904
Balance in the Book and Chest agree viz Rs 10-3-3.

b. No. Limit of cash on hand is not exceeded.

c. No.

d and e. No.

Note the general results of the Bank's cash transactions up to date of inspection in the appended form and see if the Cash Balance Sheet last submitted by the Bank is correct in all particulars.

RECEIPTS.	Rs. a. p.	EXPENDITURE.	Rs. a. p.
From Treasury ...	3540-	To Treasury Current acct. principal repaid ...	- - -
„ Depositors...	40	Depositors ...	
Entrance fee ...	9	„ Members, loan.	4550 - - -
Interest and penalty ...	771-2-0	„ Govt. on acct. of interest ...	616 - 11 - 2
Loans repaid ...	1197-8-0	Depositors,,...	- - - -
Other items ...	7-8-3	„ Printing charges ...	4 - 11 - 6
		„ Establishment.	296 - 8 - 1
		„ Contingencies	29 - - - 3
		„ Other charges.	18 - - -
		Cash in hand	10 - 3 - 3
Total	5525-2-3	Total	5525 - 2 - 3

12. As regards loans to members, note if, in addition to the restrictions and limitations prescribed in Section 42 of the Articles of Association, the General Assembly has prescribed any limit with reference to the value of the landed property held by applicants for loan or offered as security by them; whether loans have been granted to any in contravention of these rules, members of joint Hindu family being taken as representing one account; how such transgressions are explained or proposed to be rectified; had any loans been granted to other than members in need or had any deserving applicants been denied to favor particular individuals, and had such instances produced feelings of distrust and discontent and impaired the cordiality and unanimity expected to exist among the body of members; are objects for which loans are applied for, explained with sufficient clearness in the darkhasts; is the application and use made of loans watched by the Board of Directors or other authority; have there been any instances of non-application or misuse, especially of sums obtained having been used by any member for purposes of trading or private banking or money lending.

Note the sums obtained and used for the several purposes indicated in the appended form.

a. No

b. No

c. No

d. Yes. Objects explained in the darkhast.

e. Application of loans watched by the bank authorities.

f. There have been no instances of non-application or misuse of sums obtained.

Amount obtained.	Rs.	a.	p.	Amount spent.	Rs.	a.	p.
1 To discharge encumbrances.				1 For discharging encumbrances	—		
2 To „ other debts.	2265			2 To discharge other debts ...	2265		
3 For agricultural purposes.	2285			3 For agricultural purposes ...	2285		
(a)				(a)			
(b)				(b)			
(c)				(c)			
(d)				(d)			
				4 For other purposes			
				(a)			
				(b)			
				(c)			
				(d)			
Total	4550						

13. As regards securities obtained, note if the mortgage deeds in favor of the Bank are in proper form executed by the proper persons and duly registered; if prior mortgages in respect of property hypothecated to the Bank had been fully discharged and the mortgage deeds (duly discharged) produced in Bank together with title-deeds; in case of exceptions, when the mortgages are likely to be discharged and their amount; the proportion the loans of first class bear to the amount of property mortgaged; notable cases of undue preference, if any, with explanation; whether good and sufficient personal security was obtained in the case of the second and third class loans; whether in the case of simple debts repaid, documents discharged, receipts, &c., obtained had been produced, and in case of notable exceptions when they are expected to be produced.

Note particulars in the appended form of loans outstanding against members at date of inspection exclusive of repayments.

1st class.	2nd class.	3rd class.	4th class.	Total.	Value of property under mortgage to Bank.

The mortgage deeds are in proper form executed by proper persons and are registered

(b) etc - yes. No exceptions

(d) There are no loans of the 3rd and 4th classes - Proper securities have been taken for loans of 2nd Class.

Particulars of loans outstanding.

1st class.	2nd class	3rd class	4th class	Total	Value of property under mortgage to Bank
Rs 4430	Rs 120	"	"	4550	6245 according to valuation

14. As regards punctuality, completeness or otherwise in the payment of dues by members, Note whether the rule requiring strict punctuality is borne in mind and enforced in all practicable cases, or whether there is any unhealthy tendency to evade it; how many are defaulters (1) among office-bearers and (2) among other members; the amount of instalments overdue remaining unrecovered at date of inspection, the amount of 2nd, 3rd and 4th class loans likewise overdue remaining unrecovered; causes of unduly large arrears and large number of defaulters; whether proper notice had been taken of defaults and adequate steps taken for recovery of arrears; whether renewals were granted with prudence and discrimination; whether the interest and penalty due to the Bank had been fully recovered and whether the interest due to Government and to other creditors duly paid; arrears, if any, how explained and when expected to be paid.

As already stated Government dues are not being paid punctually. Among defaulters are all the 7 office bearers and among other members there are 9. Two instalments out of 6 due were recovered from most of the members and the said amount

again given out as loans.
Thus no part of the principal
has been repaid to Government
The amount of 2d class Loans
remaining overdue is Rs 1,20

To plague and depression
in trade are attributed the
larger outstanding arrears.

Decree has been obtained
against one member (Bhee-
mana). Notices have been
served on the remaining
defaulters. The Agent has
been directed to take prompt
steps to recover the arrears
by the end of this official
year. The interest is also
in arrears and is expected
to be recovered by the
end of June 1904

15. As regards surplus, Note what this amounts to up to date of inspection, taking into account the arrears remaining unrecovered of interest and other items of income; how much of this has been realized; what amount has been carried to the Reserve Fund by resolution of the General Assembly; how the Reserve Fund is invested; how the remaining surplus is used or secured; whether any and what special charges tended to reduce the surplus; and if the Bank has other assets what they are and their value.

There is no surplus
" a Reserve Fund.

16. As regards meetings of General Assembly, note whether the rules for convening these, the conduct of business therein and the recording and registering of resolutions are understood and duly given effect to; if not, explain the same to the office bearers and others present; note whether meetings had been held regularly every half-year; whether any and what number of extraordinary meetings had been held since last inspection; whether notices had been duly given to members; whether members were generally taking interest in the Bank affairs or whether there was party feeling; whether special resolutions had been duly confirmed and registered; whether any resolutions were inconsistent with the Articles of Association or other provisions of law.

Yes.
No meeting has been held since February 1907. The Agent and the President have been pointed out that the procedure is very unsatisfactory and irregular.
No extraordinary meetings held.
The members do not seem to take interest in the affairs of the Bank.

17. As regards Board of Directors, note whether and how often they meet for transaction of business; whether their resolutions are duly recorded in a book; if they do not meet, what arrangements exist for the discharge of their duties and functions and what record exists of their proceedings; whether any and which of them have been taking special interest in and working with zeal for the progress of the institution.

Apart from the half-yearly meetings, no meetings of directors have been held.
The Agent is the only office bearer that does work for the Bank.

18. As regards supervision, whether any and what arrangements the General Assembly had made for control and audit, are they effective and satisfactory.

The President is said to supervise the accounts.
The supervision is very ineffectual.

19. As regards registers and accounts, see appendlist, note therein which of them is kept and how.

I. Register of members
II. „ of applications for loan
III. Cash book
IV. Ledger
V. Minute book
VI. Register of balance sheets
VII. Property register
VIII Register of monthly cash abstracts
IX. Register of bonds
X Receipts by Bank
XI. Depositors' ledger
XII. Treasury pass book
XIII. Chalan book
XIV. Cheque book
XV. Receipts by members to Bank
XVI. Register of Directors
XVII. Register of Directors' Proceedings
XVIII. Register of appropriation of loans
XIX. „ of contingent expenses
XX. „ of disbursement of pay to establishment
XXI. „ of From letters
XXII. „ of To letters
XXIII. Visitors' book

20. General remarks regarding the state of the Bank.

The following Registers and accounts are kept:

I Register of members.

II, III, IV, V, VII VIII IX XI, XIII, XIV XV XXI XXII

Register Nos X, XI, XVI, XVII, XVIII XIX XX are not kept The Agent has been instructed to open them immediately.

General remarks.

I have warned the members to pay up the arrears of instalments and Interest at once. I shall state my opinion at the end of the official year whether it is

advisable to continue
the loan or withdraw
it-

Yours Truly,
For Deputy Commissioner
Shimoga District

29 (Gen)

ysore Govt. Gen. & Rev. Secretariat,
Revenue Branch.

Office Draft.

Progs. of the Govt. of H. H. the Maharaja of Mysore.

Subject: Ban King

File No. (if any) and its date— 3-96

Read:

Report of inspection of the Agriculturist Banks at Honnali, Honnalidalak, held by the Dy. Commissioner, Shimoga District, forwarded with his letter No. 655/421 of 21st May 1904.

Submitted to the Dewan through the 2nd Mr 8/6/04

No. H 3443 RT-152-1896

14/6/04

Order:

Recorded with the following observation.

The Govt. finding that the working of the Bank was not satisfactory ordered in G.O. No. R. 450 of 10 August 1903 that if satisfactory progress was not shown within a period to be fixed by the Dy. Commissioner, a further report, with definite proposals, should be submitted.

Destroyed

From the report under reference

Yes. This is financial year — 7/6

Compd 13-6-04.

the post. respect is found that the Bank has not at all shown any perceptible improvement in its working, that there has been much delay in the payments of both the instalments and the interest due to Govt. and that among 18 members 16 are defaulters (7 of them being office-bearers) both in respect of instalments and interest due to the Bank. This state of things would call for the withdrawal of the amount advanced to the Bank; but, as the Dy. Comr. states that he has warned the members to pay up the arrears of instalments and interest at once and would submit his opinion at the End of the official year whether it is advisable to continue the loan or withdraw it, his further report on the matter will be awaited.

B.O

Ill

Registrar

2

To the Dy. Commissioner Shimoga District

mull 7.6.04